

## 受託投資未經我國主管機關相關審查程序之信託商品揭露事項

委託人於本行國際金融業務分行投資之本商品為未經我國主管機關相關審查程序之信託商品，委託人已充分了解以下事項：

- (一) 本商品未經我國主管機關審查或核准，亦不適用備查或申報生效之規定；
- (二) 本商品僅得於銀行國際金融業務分行對中華民國境外客戶為推介及交易對象；
- (三) 銀行國際金融業務分行客戶不適用「金融消費者保護法」之規範以及金融消費爭議處理機制；
- (四) 本商品之商品說明文件可能以中文或英文提供。

以下為發行人提供之簡式公開說明書，本商品詳細資訊請參閱發行人網站  
(<https://www.kgi.com.hk/en/asset-management>)



# PRODUCT KEY FACTS

## KGI Investment Fund Series OFC

### KGI Diversified Growth Income Fund

15 December 2025

Issuer: KGI Asset Management Limited

- ***This statement provides you with key information about this product.***
- ***This statement is a part of the Sub-Fund's Explanatory Memorandum.***
- ***You should not invest in this product based on this statement alone.***

## Quick facts

<b>Manager:</b>	KGI Asset Management Limited
<b>Custodian:</b>	Brown Brothers Harriman Trustee Services (Hong Kong) Limited
<b>Administrator:</b>	Brown Brothers Harriman & Co.
<b>Ongoing charges over a year*:</b>	Class A USD Shares (Accumulating): 2.00% Class B USD Shares (Distributing): 2.00%
<b>Dealing frequency:</b>	Daily on each Dealing Day <sup>#</sup>
<b>Base currency:</b>	US Dollars (USD)
<b>Dividend policy:</b>	Class A USD Shares (Accumulating): No dividends will be declared or distributed.  Class B USD Shares (Distributing): Currently declared on a monthly basis, subject to the Directors' discretion. There is no guarantee of regular distribution nor, where distribution is made, the amount being distributed. Dividends <sup>^</sup> , if declared, will be paid or reinvested, in accordance with the instruction given by the investor at the time of subscription.
<p><sup>^</sup> Dividends may be paid out of capital, or out of gross income and all or part of the fees and expenses may be charged to capital at the Directors' discretion, resulting in an increase in distributable income for the payment of dividends and therefore, dividends may be paid effectively out of capital. This may result in an immediate reduction of the Net Asset Value ("NAV") per share of the Sub-Fund ("Share").</p>	
<b>Financial year end of the Sub-Fund:</b>	31 December
<b>Minimum initial investment, minimum subsequent investment and minimum redemption amount:</b>	Class A USD Shares (Accumulating): USD1,000 Class B USD Shares (Distributing): USD1,000

\* The ongoing charges figure has been capped at 2.00% per annum of the average NAV of the relevant class since launch, and any excess over such figure will be borne by the Manager and will not be charged to the relevant class. As the Sub-Fund is newly set up, this figure is a best estimate only and represents the sum of the estimated ongoing expenses chargeable to the relevant class over a 12-month period and expressed as a percentage of the estimated average NAV of the relevant class over the same period. The actual figure may be different upon actual operation of the relevant class of the Sub-Fund and it may vary from year to year.

<sup>#</sup> Please refer to the Explanatory Memorandum for the definition of "Dealing Day".

## What is this product?

KGI Diversified Growth Income Fund (“**Sub-Fund**”) is a sub-fund of KGI Investment Fund Series OFC (“**Company**”), which is a public umbrella open-ended fund company established under Hong Kong law with variable capital with limited liability and segregated liability between sub-funds.

## Objectives and Investment Strategy

### Objective

The investment objective of the Sub-Fund is to seek medium to long term growth of capital and income.

### Strategy

The Sub-Fund pursues an actively managed multi-asset strategy. This is reflected in the Sub-Fund's strategic asset allocation whereby the Manager sets target allocations to various asset classes that support the Sub-Fund in achieving its objective. The Manager utilises macroeconomic research to identify global investment themes and opportunities when determining the asset allocation. The Manager may adjust the strategic asset allocation to adapt to short-term market conditions and opportunities.

The Sub-Fund will invest at least 70% of its NAV directly and indirectly in global assets including equity and equity-related securities (including but not limited to stocks, preferred stocks and depository receipts) and debt securities. The Sub-Fund's strategic allocation will change from time to time, and there is no set ratio on the allocation.

For Sub-Fund's exposure to equity and equity-related securities, there is no investment restriction in terms of region, country, industry or market capitalisation.

The Sub-Fund may invest in debt securities of fixed and/or floating rate, with varying maturities and are issued by global issuers such as governments, multilateral agencies or corporations. There is no requirement in terms of credit rating and the Sub-Fund may invest in up to 100% of its NAV in below investment grade or unrated debt securities. “Investment grade” is defined as a credit rating (of the debt security, or if the security does not have a credit rating, its issuer or guarantor) of Baa3 or BBB- or above by Standard & Poor's, Fitch, Moody's or another recognised credit rating agency. For the purpose of the Sub-Fund, “unrated” refers to where neither the instrument itself nor its issuer or guarantor has a credit rating. For split credit ratings, the highest rating shall apply. The debt securities in which the Sub-Fund may invest include but are not limited to long-term bonds, medium-term notes, zero coupon and discount bonds, straight bonds, bills, convertible bonds, high yield bonds, subordinated debts, as well as short-term money market instruments (such as treasury bills, commercial papers, certificates of deposit of variable or fixed interest rates that are listed or quoted on the over-the-counter markets, bank deposits, short term bills and notes). The Sub-Fund's exposure to debt securities that are issued and/or guaranteed by a single sovereign issuer which is below investment grade will not exceed 10% of its NAV.

The Sub-Fund's aggregate investments in onshore and offshore Mainland China equities and debt securities will be under 30% of its NAV. The Sub-Fund does not intend to invest in urban investment bonds (城投債).

The Sub-Fund's exposure to the above assets may be achieved by direct investment, or through a range of collective investment schemes. Such underlying schemes include but are not limited to unlisted funds, exchange-traded funds (“**ETFs**”) and Real Estate Investment Trust Securities (“**REITs**”). Underlying schemes may adopt various strategies, for example, multi-asset and absolute return strategies.

Subject to the requirements of the SFC's Code on Unit Trusts and Mutual Funds (“**Code**”), the Sub-Fund may invest up to 100% of its NAV in one or more underlying schemes, provided that (i) holding in each scheme which is either authorised by the SFC or an eligible scheme (as defined by the SFC) may not exceed 30% of the Sub-Fund's NAV, and (ii) not more than 10% of the Sub-Fund's NAV may be invested in collective investment schemes which are non-eligible schemes and not authorised by the SFC. The underlying collective investment schemes may be managed by the Manager or its connected persons or by a third party. Investments in ETFs will be considered and treated as collective investment schemes for the purposes of and subject to the requirements in 7.11, 7.11A and 7.11B of the Code.

The Sub-Fund may invest in financial derivative instruments (“**FDIs**”) for hedging and/or investment purposes. The major types of FDIs which may be used by the Sub-Fund for such purposes include, but are not limited to, warrants, futures, options, forwards and other derivative instruments or contracts.

The Sub-Fund may hold up to 30% of its NAV in cash, cash equivalents and/or money market funds for efficient liquidity management, except that under exceptional circumstances (e.g. extreme market conditions such as in times of a prolonged bearish market or extremely severe and rapid economic downturn), the Sub-Fund may temporarily invest up to 100% of its NAV in liquid assets such as bank deposits, certificates of deposit, commercial paper and treasury bills for cash flow management. Investments in money market funds will be subject to the restrictions above on collective investment schemes.

The Sub-Fund may invest up to 30% of its NAV in fixed income instruments with loss-absorption features (“**LAP**”), such as contingent convertible debt securities and senior non-preferred debts. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s).

The Sub-Fund will not invest in any structured deposits, structured products or collateralised and/or securitised products. The Sub-Fund will not invest directly in physical commodities. The Sub-Fund currently has no intention to engage in securities lending transactions, sale and repurchase transactions or reverse repurchase transactions. The Manager will seek the prior approval of the SFC (if required) and provide at least one (1) month’s prior notice to Shareholders before the Manager enters into any such transactions.

## **Use of derivatives / Investment in derivatives**

The Sub-Fund’s net derivative exposure may be up to 50% of the Sub-Fund’s NAV.

## **What are the key risks?**

**Investment involves risks. Please refer to the Explanatory Memorandum for details including the risk factors.**

### **1. Investment risk**

- The Sub-Fund’s investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.

### **2. Asset allocation risk**

- The types of assets that the Sub-Fund invests in may from time to time be rebalanced subject to the investment strategy of the Sub-Fund. There is no assurance that the investment objective of the Sub-Fund will be achieved by adopting such rebalancing strategy. Further, such rebalancing strategy may incur greater transaction costs than a fund with static allocation strategy.

### **3. Risks associated with investing in equity and equity-related securities**

- The Sub-Fund’s investment in equity and equity-related securities is subject to general market risks, and its value may fluctuate due to various factors, such as changes in investment sentiment, political and economic conditions and issuer-specific factors.
- High market volatility and potential settlement difficulties in certain markets may also result in significant fluctuations in the prices of the equity securities traded on such markets and may thereby adversely affect the value of the Sub-Fund which invests in such markets.
- Securities exchanges in certain markets typically have the right to suspend or limit trading in any security traded on the relevant exchange. The government or the regulators may also implement policies that may affect the financial markets and thus the Sub-Fund.

### **4. Risk associated with small-capitalisation / mid-capitalisation companies**

- The Sub-Fund may invest in stocks of small-capitalisation/mid-capitalisation companies. The stocks of small-capitalisation/mid-capitalisation companies may have lower liquidity and their prices are more volatile and susceptible to adverse economic developments than those of larger capitalisation companies in general.

### **5. Risks associated with investing in debt securities**

- Interest rate risk: Investment in the Sub-Fund is subject to interest rate risk. In general, the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise.
- Credit / Counterparty risk: The Sub-Fund is exposed to the credit/default risk of issuers of the debt securities that the Sub-Fund may invest in.
- Credit downgrading risk: The credit rating of a debt security or its issuer may subsequently be downgraded. In the event of such downgrading, the value of the Sub-Fund may be adversely affected. The Manager may or may not be able to dispose of the debt securities that are being downgraded. If investment grade securities are downgraded to below investment grade, such securities will not be sold unless, in the opinion of the Manager, it is in the interest of unitholders to do so.
- Credit rating risk: Credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times.
- Risk associated with below investment grade or unrated debt securities: The Sub-Fund may invest in debt securities which are rated below investment grade or which are unrated. Such debt securities are generally subject to lower liquidity, higher volatility and greater risk of loss of principal and interest than high-rated debt securities.
- Valuation risk: Valuation of the Sub-Fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the NAV calculation of the Sub-Fund.
- Volatility and liquidity risk: The debt securities in emerging markets may be subject to higher volatility and lower liquidity compared to more developed markets. The prices of securities traded in such markets may be subject to fluctuations. The bid and offer spreads of the price of such securities may be large and the Sub-Fund may incur significant trading costs.
- Sovereign debt risk: The Sub-Fund's investment in securities issued or guaranteed by governments may be exposed to political, social and economic risks. In adverse situations, the sovereign issuers may not be able or willing to repay the principal and/or interest when due or may request the Sub-Fund to participate in restructuring such debts. The Sub-Fund may suffer significant losses when there is a default of sovereign debt issuers.
- Liquidity risk: The Sub-Fund may invest in debt securities that are not listed. Such securities may be less liquid and more volatile than listed debt securities, resulting in the fluctuation in the price of such securities and hence adversely affect the Sub-Fund's NAV.

## **6. Concentration risks**

- The Sub-Fund may invest globally without geographical focus, but its investment may from time to time be concentrated in one or more specific regions or industry sectors. The value of the Sub-Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the relevant regions or sectors. The value of the Sub-Fund may be more volatile than that of a fund having a more diverse portfolio of investments.

## **7. Currency risks**

- Underlying investments of the Sub-Fund may be denominated in currencies other than the base currency of the Sub-Fund. The NAV of the Sub-Fund may be affected favourably or unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.

## **8. Risk of investing in convertible bonds**

- Convertible bonds are a hybrid between debt and equity, permitting holders to convert into shares in the company issuing the bond at a specified future date. As such, convertibles will be exposed to equity movement and greater volatility than straight bond investments. Investments in convertible bonds are subject to the same interest rate risk, credit risk, liquidity risk and prepayment risk associated with comparable straight bond investments.

**9. Risk of investing in subordinated debts**

- The Sub-Fund may invest in subordinated debts. Such investments will have a lower priority of claim in the event of the relevant issuer's liquidation or bankruptcy as they rank behind holders of unsubordinated debts but before holders of equity securities. The Sub-Fund is exposed to a higher credit / insolvency risk of its counterparties as a holder of subordinated debts than as a holder of unsubordinated debts. If the relevant issuer defaults, the performance of the Sub-Fund will be adversely affected.

**10. Risks of investing in other collective investment schemes**

- The Sub-Fund may invest substantially in other collective investment schemes (including ETFs) and will be subject to the risks associated with the underlying funds. The Sub-Fund does not have control of the investments of the underlying funds and there is no assurance that the investment objective and strategy of the underlying funds will be successfully achieved which may have a negative impact to the NAV of the Sub-Fund.
- The underlying funds in which the Sub-Fund may invest may not be regulated by the SFC. There may be additional costs involved when investing into these underlying funds. There is also no guarantee that the underlying funds will always have sufficient liquidity to meet the Sub-Fund's redemption requests as and when made.

**11. Risks relating to investment in ETFs**

The Sub-Fund may invest in ETFs which are subject to the following risks:

- Passive investment risks: The ETFs that the Sub-Fund invests in may not be "actively managed" and the manager of the relevant ETF does not attempt to select securities or to take defensive positions in declining markets. Consequently, falls in the underlying index of the ETF are expected to result in a corresponding fall in the value of the Sub-Fund.
- Tracking error risks: Factors such as fees and expenses of an ETF, imperfect correlation between the ETF's assets and the underlying securities within the relevant underlying index, rounding of share prices and adjustments to the underlying index may affect the ability of the manager of an ETF to achieve close correlation with the underlying index for the relevant ETF. An ETF's returns may therefore deviate from that of its underlying index and may have an adverse impact on the ETF and the Sub-Fund.
- Underlying index related risks: There is no guarantee that the ETF will achieve a high degree of correlation to its underlying index and therefore achieve its investment objective. Errors in index data may occur from time to time and may not be identified and corrected for a period of time, and may have an adverse impact on the ETF and the Sub-Fund.
- Trading risks: There can be no assurance that an active trading market will exist or maintain for units/shares of an ETF on any securities exchange. The units/shares of the ETFs in which the Sub-Fund invests may be traded at large discounts or premiums to their NAV, which may in turn affect the NAV of the Sub-Fund.

**12. Risk of investing in REITs**

- The Sub-Fund's investment in REITs is subject to risks associated with real estate, including, without limitation, a decline in real estate values, the possibility that the issuers of real estate related securities as owners of real estate could default on mortgage payments resulting in the loss of their properties, environmental liability, and rise of interest rates. The value of the Sub-Fund may fluctuate in response to movements in real estate markets.
- The underlying REITs may not necessarily be authorised by the SFC and the dividend policy / payout policy of the Sub-Fund is not representative of the dividend policy / payout policy of the underlying REITs.

**13. Risks associated with investment in FDIs**

- Risks associated with FDIs include counterparty / credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. The leverage element/component of an FDI can result in a loss significantly greater than the amount invested in the FDI by the Sub-Fund. Exposure to FDIs may lead to a high risk of significant loss by the Sub-Fund.

**14. Risks associated with investments in fixed income instruments with loss-absorption features (LAP)**

- Fixed income instruments with loss-absorption features are subject to greater risks when compared to traditional fixed income instruments as such instruments are typically subject to the risk of being written down or converted to ordinary shares upon the occurrence of trigger events (e.g. when the issuer is near or at the point of non-viability or when the issuer's capital ratio falls to a specified level), which are likely to be outside of the issuer's control. Such trigger events are complex and difficult to predict and may result in a significant or total reduction in the value of such instruments.
- In the event of the activation of a trigger, there may be potential price contagion and volatility to the entire asset class. Fixed income instruments with loss-absorption features may also be exposed to liquidity, valuation and sector concentration risk.
- The Sub-Fund may invest in contingent convertible debt securities, commonly known as CoCos, which are highly complex and are of high risk. Upon the occurrence of the trigger event, CoCos may be converted into shares of the issuer (potentially at a discounted price), or may be subject to the permanent write-down to zero. Coupon payments on CoCos are discretionary and may be cancelled by the issuer at any point, for any reason, and for any length of time.
- The Sub-Fund may invest in senior non-preferred debts. While these instruments are generally senior to subordinated debts, they may be subject to write-down upon the occurrence of a trigger event and will no longer fall under the creditor ranking hierarchy of the issuer. This may result in total loss of principal invested.

**15. Distribution out of/ effectively out of capital risk**

- Payment of dividends out of capital and / or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to such original investments. Any such distributions may result in an immediate reduction of the NAV per Share.

**How has the fund performed?**

Since the Sub-Fund is newly set up, there is insufficient data to provide a useful indication of past performance to investors.

**Is there any guarantee?**

The Sub-Fund does not have any guarantees. You may not get back the full amount of money you invest.

**What are the fees and charges?**

Charges which may be payable by you

You may have to pay the following fees when dealing in the Shares of the Sub-Fund.

<b>Fees</b>	<b>What you pay</b>
Subscription fee <sup>^</sup> (% of total subscription amount received (i.e. before deducting subscription fee))	Up to 3%
Switching fee (i.e. conversion fee) <sup>^</sup> (% of total amount being converted)	Nil
Redemption fee <sup>^</sup> (% of total redemption proceeds)	Nil

### Ongoing fees payable by the Sub-Fund

The following expenses are paid out of the Sub-Fund. They affect you because they reduce the return you get on your investments.

<b>Fees</b>	<b>Annual rate (as a % of the Sub-Fund's NAV)</b>	
	<b>Class A USD Shares (Accumulating)</b>	<b>Class B USD Shares (Distributing)</b>
Management fee <sup>^</sup>	1.50% of the NAV of the relevant Class	1.50% of the NAV of the relevant Class
Performance fee	Nil	Nil
Custodian fee ^	Up to 0.50%*	
Administrator and registrar fee	Up to 0.50%*	

\* The aggregate of all fees and expenses charged by the Custodian, Administrator and Registrar in any given month is subject to a monthly minimum fee of USD8,334.

### Other fees

You may have to pay other fees when dealing in the Shares of the Sub-Fund.

<sup>^</sup> Please note that some fees may be increased up to a permitted maximum amount by providing one (1) month's prior notice to Shareholders. Please refer to the section headed "Expenses and Charges" in the Explanatory Memorandum for further details of the fees and charges payable and the permitted maximum of such fees allowed, as well as other ongoing expenses that may be borne by the Sub-Fund.

### **Additional information**

- You generally buy and redeem Shares at the Sub-Fund's next-determined NAV after the Registrar receives your request, directly or via a distributor, in good order at or before 3:00 p.m. (Hong Kong time), being the Sub-Fund's dealing cut-off time on each Dealing Day of the Sub-Fund. The distributor(s) may impose different dealing deadlines for receiving requests from investors. Before placing your subscription or redemption orders, please check with your distributor for the distributor's internal dealing cut-off time (which may be earlier than the Sub-Fund's dealing cut-off time).
- The NAV of the Sub-Fund is calculated and the price of Shares is published each Business Day on the website <https://www.kgi.com.hk/en/asset-management> (this website has not been reviewed by the SFC).
- The compositions of the dividends (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last twelve (12) months are available from the Manager on request and on the website <https://www.kgi.com.hk/en/asset-management> (this website has not been reviewed by the SFC).
- You may obtain the past performance information (when available) of other classes of shares offered to Hong Kong investors from the website <https://www.kgi.com.hk/en/asset-management> (this website has not been reviewed by the SFC).
- The Manager will publish information on Dealing Days on the Manager's website <https://www.kgi.com.hk/en/asset-management> (this website has not been reviewed by the SFC) on a monthly basis, with such information to be made available at least one (1) month in advance of the relevant month. Where any such previously disclosed Dealing Day is no longer a Dealing Day due to any unexpected circumstances, the Manager will inform investors via the Manager's website as soon as practicable.

## Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness. SFC registration and authorisation do not represent a recommendation or endorsement of the Company or the Sub-Fund nor do they guarantee the commercial merits of the Company or the Sub-Fund or its performance. They do not mean the Company or the Sub-Fund is suitable for all investors nor do they represent an endorsement of its suitability for any particular investor or class of investors.

Important - while section 112S of the Securities and Futures Ordinance (“**SFO**”) provides for segregated liability between sub-funds, the concept of segregated liability is relatively new. Accordingly, where claims are brought by local creditors in foreign courts or under foreign law contracts, it is not yet known how those foreign courts will react to section 112S of the SFO.